

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
EAST PENDLETON WATER DISTRICT)

CASE NO. 8360

O R D E R

On October 1, 1981, East Pendleton Water District ("East Pendleton") filed its application with the Public Service Commission seeking approval of a purchased water adjustment clause and authority to adjust its rates for service in accordance with that clause. On May 1, 1981, East Pendleton's supplier, City of Falmouth ("City"), notified East Pendleton of an increase in the wholesale cost of water from \$.55 to \$.75 per 1,000 gallons.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

(1) The purchased water adjustment clause sought by East Pendleton is in compliance with 807 KAR 5:067, Purchased Water Adjustment Clause, is in the best interest of the public and East Pendleton, and should be approved.

(2) The City increased the cost of water to \$.75 per 1,000 gallons effective May 1, 1981.

(3) East Pendleton had line loss in excess of the amount allowed by the Purchased Water Adjustment Regulation, therefore, the line loss has been adjusted to reflect the allowable 15 percent.

(4) The financial exhibits filed by East Pendleton indicate that it cannot absorb the increased cost of the wholesale water.

(5) The calculation for the purchased water adjustment made by East Pendleton in the amount of \$.23 per 1,000 gallons is correct and should be approved.

(6) The base rate for purchased water for the future application of the purchased water adjustment clause should be:

<u>Supplier</u>	<u>Rate</u>
City of Falmouth	\$.75 per 1,000 gallons

(7) The rates in Appendix A attached hereto are fair, just and reasonable and should be approved.

IT IS THEREFORE ORDERED that the purchased water adjustment clause filed by East Pendleton is hereby approved effective on and after the date of this Order.

IT IS FURTHER ORDERED that the purchased water adjustment sought by East Pendleton and the rates in Appendix A attached hereto be and the same are hereby approved effective with water supplied on and after the date of this Order.

IT IS FURTHER ORDERED that for the purpose of future application of the purchased water adjustment clause of East Pendleton, the base rate for purchased water shall be:

<u>Supplier</u>	<u>Rate</u>
City of Falmouth	\$.75 per 1,000 gallons

IT IS FURTHER ORDERED that within 30 days after the date of this Order, East Pendleton shall file with the Commission its revised tariff sheets setting out the rates and the purchased water adjustment clause approved herein.

Done at Frankfort, Kentucky, this 8th day of January, 1982.

PUBLIC SERVICE COMMISSION

Martin M. Vohy
Chairman

Katharine Randall
Vice Chairman

Don Carrigan
Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8360 DATED: JANUARY 8, 1982

The following rates are prescribed for the customers served by East Pendleton Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RESIDENTIAL SERVICE

First	1,000 gallons	\$ 7.98 (Minimum Bill)
Next	99,000 gallons	2.23 per 1,000 gallons
All over	99,000 gallons	1.83 per 1,000 gallons

SPECIAL CONTRACTS

Black River Lime		
Monthly meter charge		\$300.00
Minimum bill--	100,000 gallons	2.23 per 1,000 gallons
Over	100,000 gallons	1.83 per 1,000 gallons
Kincaid Lake Park		
Minimum bill--	100,000 gallons	\$625.00
Over	100,000 gallons	1.83 per 1,000 gallons